

GROUP INSURANCE ENROLLMENT INFORMATION

The Dakota Plan is a fully insured health plan underwritten by Blue Cross Blue Shield of North Dakota. According to North Dakota Century Code (NDCC) 54-52.1-03.1, political subdivisions may offer the benefits of the NDPERS group health plan to its permanent employees subject to the criteria provided in the Employer Participation Agreement. District Health Units are classified as State agencies and are eligible to participate. NDPERS requires 60-90 days to enroll a new group.

Employer Eligibility

In the event a North Dakota governmental unit wishes to enroll in the retirement program, the following questions need to be addressed in a letter to NDPERS to determine the agency's eligibility. NDPERS cannot provide suggested language for drafting responses. A governmental unit's business or legal counsel had assist.

1. Is the agency created by North Dakota statute or organized pursuant to a North Dakota Statute? If so, please provide citation.
2. What is the purpose of the agency?
3. What is the agency's funding source?
4. Is the agency a non-profit corporation or a for-profit corporation? If a for-profit corporation, please include a copy of the articles of incorporation.

Upon receipt of the above requested letter, NDPERS and its legal council will review and determine if an agency is an eligible political subdivision.

In the event an agency qualifies, a signed board resolution is required prior to NDPERS sending the agency an "Employer Participation Agreement" and enrollment materials.

The board resolution must be stated as follows:

A motion was made by {Insert Board Member Name} for «Agency» to affirm to North Dakota Public Employees Retirement System that «Agency» is formed pursuant to N.D.C.C. § (Insert citation) and is neither a non—profit corporation nor a for-profit corporation, to join the NDPERS Group Health Plan and offer the plan to all eligible employees of the «Agency». The motion was seconded by {Insert Board Member Name}. The Board approved joining the NDPERS Group Health Plan effective {Month 1, Year}.

Employee Eligibility and Enrollment

Eligibility

"Full-time" is defined as an employee who works at least 20 hours per week, 20 or more weeks per year in a fully-funded position, not of limited duration. All employees who meet this definition must be offered the opportunity to join the Dakota Plan.

Paid members of political subdivision boards, commissions or associations must be paid to be eligible to participate in the group health plan. Paid includes a per diem for each meeting. The employer is not required to pay the same contribution for these members. They may contribute nothing, less than or equal to, but may not exceed the contribution that is paid for eligible full-time employees.

Enrollment

All full-time employees must have a 31-day open enrollment period to apply for health insurance coverage.

Employees must complete either a NDPERS Group Health Application to enroll in the Dakota Plan and/or a Waiver of Health Coverage form if waiving coverage on themselves or any of their eligible dependents.

The employer is required to complete and submit a Employee Eligibility Report (SFN 54119) to the NDPERS office.

All applications and forms must be sent to the NDPERS office no later than the 15th day of the month 45 days prior to the requested effective date.

Individual Eligibility and Enrollment

Eligibility

To be eligible for the Dakota Plan as an individual, you must be an employee of a political subdivision who does not sponsor a group health plan. Part-time and temporary employees are eligible to participate at their own expense. The word temporary must be written on the NDPERS Group Health Application.

Enrollment

Employees will have a 31-day enrollment period to apply for health insurance coverage. NDPERS will bill the employer for the monthly health insurance premium.

Employees must complete either a NDPERS Group Health Application to enroll in the Dakota Plan and/or a Waiver of Health Coverage form if waiving coverage on themselves or any of their eligible dependents.

The employer is required to complete and submit a Employee Eligibility Report (SFN 54119) to the NDPERS office.

All applications and forms must be sent to the NDPERS office no later than the 15th day of the month 45 days prior to the requested effective date.

Existing COBRA contracts

New employer groups with existing COBRA contracts are allowed to complete the COBRA period in the Dakota Plan. The authorized agent must complete the Employer Verification of Insurance Coverage (SFN _____). In addition, the member must complete a NDPERS Group Health Application. The application must indicate COBRA continuation and the member information must be reported on the Employee Eligibility Report. Employer groups are responsible for proper administration of their existing COBRA contracts. The member will be billed direct for their monthly premium at the COBRA premium rate.

Minimum Participation Requirements

Minimum participation requirements for the Dakota Plan are based on the size of an employer group. This is done by comparing the eligible number of full-time employees to the number of actual employees signing up for the health plan. Part-time employees or members of the Board are not considered when determining the minimum participation requirement.

Employer groups must meet the minimum participation requirements listed below:

Total Eligible	Minimum Required	Total Eligible	Minimum Required
2	2	19	14
3	3	20	15
4	4	21	15
5	5	22	16
6	5	23	17
7	6	24	17
8	7	25	18
9	8	26	19
10	9	27	19
11	9	28	20
12	10	29	21
13	10	30	21
14	11	31	22
15	11	32	23
16	12	33	24
17	13	34	24
18	14	35	25
		36 and over	70%

For all employers, deduct from the number of eligible employees those who have Blue Cross Blue Shield in other employee groups only, or who have reputable group commercial insurance carried by their spouse or those eligible for Medicare.

If the eligible employee and/or dependent wish to waive the coverage, a waiver from **must** be submitted.

Responsibility to comply with minimum participation guidelines belongs to the employer. BCBSND will notify all employers through a letter that a participation % is needed. If the employer group does not meet the minimum requirements participation, the group will need to take steps to bring enrollment to within guidelines. The group will have a specified amount of time to ensure adherence. If the underwriting guidelines cannot be met, the group will no longer be eligible for the Dakota Plan and must find alternative coverage within a specified time period for non-compliance of the minimum participation guidelines.

Please use the formula below to calculate whether your employer group is within minimum participation guidelines.

Total Number of Employees
Eligible for Health Insurance _____

Minus the Number of Employees
Covered under Spouse Coverage,
Other Employer Group Coverage or
Medicare - _____

Equals Total Number of Eligible = _____

Number from the Underwriting
Requirement for Your Group _____

Number of Employees Actually

Review of Minimum Participation Requirements will be done on an annual basis in September.

Minimum Contribution Requirements

NDPERS requires that all *new groups* enrolled in the NDPERS health plan beginning May 1, 2004 and thereafter pay a minimum employer contribution, which is defined as a least 50% of the single premium. Review of Minimum Contribution Requirements will be done on an annual basis in October.

A Employer Payment Plan for Health Insurance (SFN) must be completed by the Authorized Agent and submitted to the NDPERS office along with the Employer Participation Agreement at the time the group enrolls in the health plan. If at any time the employer elects to change the employer health premium contribution a revised Employer Payment Plan for Health Insurance (SFN) must be completed and filed with NDPERS prior to the effective date of change.

If the employer group does not meet the minimum contribution requirements, the group will need to take steps to become compliant with the guidelines. The group will have a specified amount of time to ensure adherence. If the guidelines cannot be met, the group will no longer be eligible for the Dakota Plan and must find alternative coverage within a specified time period for non-compliance of the minimum contribution guidelines.

Special Enrollment Periods

The special enrollment periods allow an individual to enroll in the plan without any restrictions. An employee may enroll:

- ✓ Within 31 days of loss of coverage under any other health insurance plan.
- ✓ Add a spouse within 31 days of marriage. An employee who previously waived coverage is also eligible to enroll in the plan at the same time that the employee's spouse is enrolled.
- ✓ Add a dependent within 31 days of birth or adoption, or placement for adoption. An employee and other dependents who previously waived coverage are also eligible to enroll in the plan at the same time that the employee's dependent is enrolled.

Annual Enrollment Period

Individuals who enroll outside the Group or Individual Participation Requirements or Special Enrollment Periods (late enrollees) may enroll during the annual open enrollment period each year in the month of May with coverage effective the following July 1, however, the employee or their eligible dependents may be subject to a 12 month pre-existing condition period.

Premium Rates

The premium rate structure for the Dakota Plan is established for each biennium. To obtain current premium information you must contact the NDPERS office. Rates are established during the legislative session are set for the biennium.

The Basic/PPO/EPO premium allows each subscriber to independently choose their level of coverage in the Dakota Plan. That is, some subscribers may choose the Basic/PPO and other may choose the Basic/EPO level of benefits.

The Basic/EPO premium designates that all subscribers must affiliate with the EPO plan in order for the employer group to receive a reduced monthly premium rate. New employer groups enrolling in the Dakota Plan must indicate in their board meeting minutes, along with their election to participate, that they wish to enroll as a **Basic/EPO only group**.

Meeting Request and Registration Form

The Meeting Request and Registration form is used when a group is requesting that a NDPERS staff member conduct an on-site informational meeting to explain coverage information, the contract agreement, etc. concerning the Dakota Plan to the employer or its' employees.

If you would like to host an informational meeting please obtain a [Meeting Request and Registration form \(SFN 53176\)](#). Be sure to allow ample time (preferably 30-60 days minimum) for meeting scheduling and registration.

SAMPLE ADMINISTRATIVE AGREEMENT- NOT FOR EMPLOYER USE

**EMPLOYER PARTICIPATION AGREEMENT
IN THE
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
GROUP HEALTH INSURANCE PLAN**

This Agreement is between the North Dakota Public Employees Retirement System (PERS) and _____ (Employer).

I. PURPOSE

The purpose of this Agreement is to establish the terms and conditions for the participation of the Employer in the PERS Group Health Insurance Plan (the Plan).

II. EFFECTIVE DATES

The parties agree that this contract shall commence on _____ and shall terminate as provided in paragraph VI.

III. EMPLOYER ELIGIBILITY

The Employer is eligible to participate in the Plan on the first day of the month following the 30 day Open Enrollment period for all employees. The employer is subject to minimum participation requirements as set forth by the NDPERS Board.

IV. EMPLOYER'S RESPONSIBILITIES

- A. The Employer agrees to be bound by the terms, provisions and rules of the Plan as adopted by PERS, and amended from time to time, with regard to the administration of the Plan. PERS will provide the Employer with such terms, provisions and rules.
- B. The Employer agrees to participate in the Plan for a minimum period of participation of sixty months. If the Employer withdraws before completing sixty months of participation, the Employer must pay the Plan the difference between any plan expenses incurred and employer income received. No payment is required if the Employer ceases to exist.
- C. The Employer shall offer the Plan as the primary indemnity health and medical insurance plan available to its employees. The Employer may not offer any other group health insurance plan as an alternative to the Plan, with the exception of any HMO's available through PERS.
- D. The Employer shall allow all "eligible" employees as that term is defined in the North Dakota Century Code (NDCC 54-52.1-01(4)) to participate in the Plan. The term "eligible employee" includes a governmental unit employee whose services are not limited in duration and who is filling an approved and regularly funded position in an eligible governmental unit and is employed at least 20 hours or more per week and at least 20 or more weeks each year of employment
- E. The Employer shall allow all eligible employees a 31-day open enrollment period from the date this Agreement is signed in which to enroll in the plan. Employees participating in the NDPERS health plan at the time of a consolidation between employers will be treated as "transfers" if they did not have a termination of employment which means they had a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Eligible employees may cover their dependents in accordance with the terms and

provisions of the Plan. Employees who wish to waive their coverage must complete a waiver form.

- F. The Employer shall pay to PERS all premium due under the Plan on a monthly basis. PERS will not accept individual payments from participating employees in cases where the employees are responsible for part or all of the premium due. Rather, the Employer is responsible for collecting any premium contributions from participating employees (by payroll deduction or otherwise) and making a single lump sum monthly payment to PERS. Premium contribution by the Employer on behalf of eligible participating employees must be administered consistently for all members. The Employer may not provide any monetary compensation to any employee in lieu of participation in the Plan.

The premium payment due PERS is based on the applicable uniform group rates established by the PERS Board. The Employer will be given adequate advance notice of any premium changes in the Plan.

- G. Part-Time and Temporary Employees are eligible to participate at their own expense. They must enroll within 31 days from hire date. Coverage will be effective the first of the month following date of hire. The employer may not make a contribution for coverage for temporary employees.
- H. The Employer shall notify PERS of the following events within thirty (31) days of their occurrence:
1. Death of an employee;
 2. Termination of an employee's employment;
 3. Reduction of an employee's working hours or other change in employment status so that "eligibility" as defined in paragraph IV(D) is lost;
 4. Divorce; or
 5. Loss of coverage of a dependent due to age/school.

V. PERS' RESPONSIBILITY

- A. PERS shall provide the insurance benefits described in the Plan, as modified from time to time, to participating employees of the Employer.
- B. PERS shall provide a written summary description of the plan to all participating employees of the Employer.
- C. PERS shall provide written notice to employees of their rights under the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1986 regarding continuation of medical insurance coverage. Further, PERS will conduct all appropriate administrative activities upon being notified of a qualifying event.
- D. PERS shall provide all necessary information regarding the Plan and its administration to the Employer and/or the participating employees.
- E. Advance notice of all modification to the Plan will be given to all participating employees.

VI. TERMINATION

- A. This contract may be terminated by mutual consent of both parties, or by either party upon sixty (60) days' notice, in writing.
- B. PERS, by written notice, may terminate this agreement if Employer fails to comply with any of the conditions of this agreement. Upon determination by PERS that the Employer has failed to comply with the conditions of the Agreement, PERS shall promptly provide written notification to the Employer of the determination, and its intent to terminate the agreement. Any such termination, however, must not take place until a period of not less than thirty (31) days for Employer to take corrective measures in response to PERS written notice of default and intent to terminate.

The termination of this Agreement related to defaults (including breach of contract) by the Employer is not an exclusive remedy and is in addition to any other rights and remedies provided by law or under this contract.

- C. This Agreement is automatically terminated if the group health insurance plan is discontinued for any reason whatsoever.
- D. This Participation Agreement is automatically terminated if the Employer ceases to exist.
- E. A new Participation Agreement is required of Employers who consolidate to form a new Employer group wishing to enroll or maintain NDPERS benefits.

VII. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

VIII. WAIVER

The failure of PERS to enforce the provisions of this contract shall not constitute a waiver by PERS of that or any other provision.

IX. AMENDMENTS

This Agreement may be amended by PERS upon sixty (60) days' written notice to the Employer and at any time upon mutual written agreement between PERS and the Employer.

X. MERGER CLAUSE

This Agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding the Agreement. Employer, by the signature of the authorized governing body or public official, hereby acknowledges that the Employer has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

XII. NOTICES

Notice required under this Agreement shall be made as follows:

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM:

EMPLOYER:

NDPERS Group Health Insurance Plan
400 E Bdwy, Suite 505
PO Box 1657
Bismarck, ND 58502

(Address)

(Business Name)

(City, State, Zip)

(Signature)

(Signature)

(Print Name)

(Print Name)

(Title)

(Title)

Dated this ____ Day of _____, 20__

Dated this ____ Day of _____, 20__

INDEMNITY ADDENDUM

This agreement is made and entered into this ____ day of _____, _____, by and between the North Dakota Public Employees Retirement System (NDPERS) and _____ (Employer). This agreement is an addendum to the Employer Participation Agreement executed on the ____ day of _____, _____.

- I. Purpose. The purpose of this agreement is to provide a separate writing pursuant to N.D.C.C. § 32-12.2-13 evidencing the parties' intent that Employer indemnify and save and hold harmless PERS as provided in section II of this agreement. This agreement does not change the rights and responsibilities set out in the Participating Employer Agreement other than as specifically provided in this agreement.
- II. Employer Responsibilities. Employer agrees to indemnify and save and hold harmless PERS for any loss, damage, claim, or expense, including reasonable attorney fees, arising in connection with any actions taken or omitted by the Employer pursuant to the Participating Employer Agreement to which this agreement is an addendum.
- III. PERS Responsibilities. PERS will allow Employer to participate in the relevant program as provided in the Participating Employer Agreement to which this agreement is an addendum.

IN WITNESS WHEREOF, the undersigned have executed the Agreement this ____ day of _____, _____.

Employer:

PERS:

Signature _____ Date _____

Date _____

Sparb Collins
Executive Director, PERS

Date _____

Name (printed)

Title